Fund Accounting and Budget Preparation

MMCI

May 7, 2024
Agenda

- Fund Accounting
  - What GASB is and how it is used
  - What is fund accounting and how does it work
  - Chart of accounts
  - Basis of accounting-modified accrual vs. full accrual
  - Financial statement requirements
  - Financial statement overview
Agenda (cont)

- **Budget Preparation**
  - Council and staff roles
  - Budget timeline & Truth-in-Taxation calendar
  - Long-term planning
  - Council and staff roles
  - City budget components
  - Budget impact and considerations
  - Advance budget elements
Enterprise Funds
Debt Service
Tax Capacity
Utility Rates
Restricted Resources
Infrastructure Collateral

Additional Resources:
LMC Budget Guide
LMC Handbook: Municipal Budgeting (Chapter 20)
What is GASB and how it is used in Fund Accounting
What is GASB?

- GASB is the Government Accounting Standards Board.
- GASB is the organization that establishes accounting and financial reporting standards for state and local governments.
How is GASB used?

• GASB statements of accounting standards
• GASB technical bulletins and implementation guides
What exactly is fund accounting and how does it work?
Fund Accounting

- Fund accounting is a system of accounting that ensures organizations are using funds productively.
- Two types of funds
  - Unrestricted Funds
    - May be used for any purpose
  - Restricted Funds
    - Used only for specific purposes
Fund Categories

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds
Governmental Funds

- Mainly used to account for activities primarily supported by taxes, grants and other revenue sources
  - Main funds in governmental
    - General Fund
    - Special Revenue Funds
    - Capital Projects Funds
    - Debt Service Funds
    - Permanent Funds
General Fund

- This is the main operating fund used to account for and report all financial resources not accounted for and reported in another fund
  - General Government
  - Public Safety
  - Public Works
  - Parks and Recreation
  - Other - Economic Development Authority and Housing and Redevelopment Authority

- Only one General Fund can be reported
Question 1

• What fund is not considered part of the general fund?
  a) Park and Recreation Fund
  b) Water Fund
  c) Public Safety Fund
  d) General Government
Special Revenue Funds

- Used to account for and report the proceeds of specific revenue sources that are restricted or committed expenditures for a specific purpose other than debt service or capital projects
- Cannot use a special revenue for a transfer in from other funds
Capital Project Funds

- Used to account for funds that are restricted, committed, or assigned to capital outlay expenditures which include the acquisition or construction of building and other capital assets
  - *Infrastructure projects*
  - *Building acquisition or construction*
  - *Equipment acquisition*
Debt Service Funds

- Used to account for funds that are restricted, committed or assigned to expenditures for principal and interest
  - Bonds
  - Equipment Certificates
Permanent Funds

• Used to account for funds that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government’s programs—that is, for the benefit of the government or its citizens
Proprietary Funds

- Mainly used to account for activities that receive significant support from fees and charges
  - Enterprise funds (water, sewer, etc.)
  - Internal Service Funds
Enterprise Funds

- Used to report any activity for which a fee is charged to external user for goods and services
  - Public utilities-water, sewer, storm sewer, refuse
  - Liquor stores
  - Golf courses
Question 2

- What fund is not considered an Enterprise Fund?
  a) Sewer Fund
  b) Storm Water Fund
  c) Water Fund
  d) Public Works Fund
Propriety Fund Internal Service Funds

- Used to report any activity that provides goods or services to other funds, departments or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis
  - Insurance
  - Central garage
  - Information systems
Fiduciary Funds

- Used to account for resources that a government holds as a trustee or agent on behalf of an outside party and that cannot be used to support the government’s own programs
  - *Pension Trust Funds*
  - *Investment Trust Funds*
  - *Agency Funds*
Chart of Accounts
Chart of Accounts

- Recommended by the Office of the State Auditor
City Funds

100
General Fund
Considered the operating budget
Primarily supported by property taxes

200s
Special Revenue Funds
Must be used for specific purposes
Revenue is specific to the cause

300
Debt Service Funds
Used to pay principal & interest on governmental funds

400s
Capital Project Funds
The guiding plan is the City’s long-term plan (which incorporates the multi-year capital improvement plan)

600s
Enterprise (Utility) Funds
Revenue to support both operational and capital costs
The basis of accounting

Modified Accrual vs. Full Accrual
Modified accrual

• Governmental funds
• Combination of cash basis and accrual basis of accounting
  • Record transactions on the cash basis
  • Accrue for current receivables and payables
  • Do not include long-term items
<table>
<thead>
<tr>
<th>Assets</th>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and temporary investments</td>
<td>$7,619,935</td>
</tr>
<tr>
<td>Receivables</td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>284,481</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>17,299</td>
</tr>
<tr>
<td>Accounts</td>
<td>252,582</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
</tr>
<tr>
<td>Leases</td>
<td>-</td>
</tr>
<tr>
<td>Special assessments</td>
<td>48,721</td>
</tr>
<tr>
<td>Due from other governments</td>
<td>154,932</td>
</tr>
<tr>
<td>Prepaid items</td>
<td>12,957</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>9,513</td>
</tr>
<tr>
<td>Advances to other funds</td>
<td>-</td>
</tr>
<tr>
<td>Land held for resale</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$8,400,420</strong></td>
</tr>
<tr>
<td>Liabilities</td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>Accrued salaries payable</td>
<td>$334,839</td>
</tr>
<tr>
<td>Accounts and contracts payable</td>
<td>146,717</td>
</tr>
<tr>
<td>Due to other governments</td>
<td>26,210</td>
</tr>
<tr>
<td>Deposits payable</td>
<td>6,317</td>
</tr>
<tr>
<td>Due to other funds</td>
<td>–</td>
</tr>
<tr>
<td>Advances from other funds</td>
<td>–</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>514,083</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deferred inflows of resources</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unavailable revenue – taxes</td>
<td>90,387</td>
</tr>
<tr>
<td>Unavailable revenue – special assessments</td>
<td>47,878</td>
</tr>
<tr>
<td>Lease revenue for subsequent years</td>
<td>–</td>
</tr>
<tr>
<td>Resources received in advance</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total deferred inflows of resources</strong></td>
<td><strong>138,265</strong></td>
</tr>
</tbody>
</table>
Full accrual

• Proprietary funds
• Record all transactions that are receivable or payable as of the reporting period
<table>
<thead>
<tr>
<th>Assets</th>
<th>Sewer Utility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
</tr>
<tr>
<td>Cash and temporary investments</td>
<td>$2,561,438</td>
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<tr>
<td>Receivables</td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>373,001</td>
</tr>
<tr>
<td>Special assessments</td>
<td>52,336</td>
</tr>
<tr>
<td>Due from other governments</td>
<td>–</td>
</tr>
<tr>
<td>Inventories</td>
<td>–</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>2,986,775</strong></td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td></td>
</tr>
<tr>
<td>Investment in joint ventures</td>
<td>–</td>
</tr>
<tr>
<td>Capital assets</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>–</td>
</tr>
<tr>
<td>Buildings and structures</td>
<td>–</td>
</tr>
<tr>
<td>Vehicles and equipment</td>
<td>607,475</td>
</tr>
<tr>
<td>Improvements other than buildings</td>
<td>7,625,896</td>
</tr>
<tr>
<td>Leased vehicles and equipment</td>
<td>–</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>131,842</td>
</tr>
<tr>
<td>Less accumulated depreciation/amortization</td>
<td>(3,439,850)</td>
</tr>
<tr>
<td><strong>Total capital assets, net</strong></td>
<td><strong>4,925,363</strong></td>
</tr>
<tr>
<td><strong>Total noncurrent assets</strong></td>
<td><strong>4,925,363</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>7,912,138</strong></td>
</tr>
<tr>
<td>Deferred outflows of resources</td>
<td></td>
</tr>
<tr>
<td>Deferred pension resources</td>
<td>93,338</td>
</tr>
</tbody>
</table>
### Liabilities

#### Current liabilities
- Accrued salaries payable $12,277
- Accounts and contracts payable 179,041
- Due to other governments 373
- Accrued interest payable 7,715
- Due to other funds –
- Deposits payable –
- Compensated absences payable, current portion –
- Leases payable, current portion –
- Bonds and notes payable, current portion 60,388

**Total current liabilities** 259,794

#### Noncurrent liabilities
- Advances from other funds –
- OPEB payable 31,273
- Pension liability 310,111
- Compensated absences payable –
- Leases payable –
- Bonds and notes payable 620,255
- Unamortized premium 16,686

**Total noncurrent liabilities** 978,325

**Total liabilities** 1,238,119

### Deferred inflows of resources
- Deferred pension resources 4,730
Financial Statement Requirements
Financial Statement Requirements
Cities with population over 2,500

- Must prepare an annual financial report and statements in accordance with generally accepted accounting principles (GAAP)
- Audited financial statements are due to the state auditor within 180 days after the close of the fiscal year (June 30)
- Must have an annual audit in accordance with GAAP
Financial Statement Requirements
Cities with population under 2,500

- Must prepare and annual financial report and statements accordance with Minnesota Statutes (not required by statute to report GAAP financial statements)
- May choose to comply with the provisions for larger local governments
- A detailed statement of financial items is due to the state auditor within 90 days after the close of the fiscal year (March 31)
Financial Statement Requirements
Cities with population under 2,500

- Not required to have an annual audit if there is a separate clerk and treasurer

- If there is a combined clerk-treasurer position
  - An annual audit is required, if total revenues exceed $150,000, adjusted for inflation ($272,000 for year ended 12/31/22)
  - An agreed upon procedures engagement is required once every 5 years if total revenues are less than $150,000, adjusted for inflation ($272,000 for the year ended 12/31/22)
Financial Statement Overview
Sections

• Introductory Section
• Financial Section
• Statistical Section

Applies when submitting for the Certificate of Achievement for Excellence in Financial Reporting
Introductory Section

- Transmittal Letter *
- GFOA Certificate *
- Organizational Chart *
- City Council and City Officials

* Applies when submitting for the Certificate of Achievement for Excellence in Financial Reporting
Financial Section

• Independent Auditor’s Report
• Management’s Discussion and Analysis
• Basic Financial Statements
• Required Supplementary Information
• Supplemental Information
Statistical Section

• Applies when submitting for the Certificate of Achievement for Excellence in Financial Reporting
• Financial Trends
• Revenue Capacity
• Debt Capacity
• Demographic and Economic Information
• Operating Information
Budget Preparation
Roles in the Budget Process

• As a clerk/treasurer, what is your role in the city budgeting process?
Staff & Council Responsibilities

STAFF RESPONSIBILITIES
• Review city’s needs
• Develop budget
• Strategic alignment with Council goals
• Provide recommendations to council

COUNCIL RESPONSIBILITIES
• Impact to Community
• Alignment with council goals and priorities
• Provides services levels in needed areas
Budget Timeline & Truth-in-Taxation Calendar
<table>
<thead>
<tr>
<th>Time Period</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>APRIL - MAY</td>
<td>Long-term Plan (LTP) revisions</td>
</tr>
<tr>
<td>MAY - JUNE</td>
<td>Goal setting session with council</td>
</tr>
<tr>
<td>JUNE - JULY</td>
<td>Staff preparing budget requests in line with council directive from goal session</td>
</tr>
<tr>
<td>AUGUST</td>
<td>Council receives preliminary budget/levy request</td>
</tr>
<tr>
<td></td>
<td>Review of enterprise fund budgets/levy</td>
</tr>
<tr>
<td>by SEPT 30</td>
<td>Council approves preliminary budget / levy</td>
</tr>
<tr>
<td>OCTOBER</td>
<td>Refinement of budgets and fee schedule</td>
</tr>
<tr>
<td>NOV - DEC</td>
<td>Council receives final budget/levy request AND approves between Nov 25 – Dec 28</td>
</tr>
<tr>
<td></td>
<td>Long-term plan adoption</td>
</tr>
</tbody>
</table>

Additional Resources: [LMC Budgets Dates 101](#)
When does the preliminary budget need to be certified?

a) April 15  
b) June 30  
c) September 30  
d) December 31
Truth-in-Taxation Calendar (2024 dates)

- **30 Sep.**
  - Cities: On or before September 29, each city must adopt and certify a proposed tax levy to the county auditor for taxes payable the next calendar year.

- **27 Nov. – 27 Dec.**
  - From November 25 to December 27, cities with population over 500 hold their public meetings. The meetings must not be held before 6:00 p.m.

- **27 Dec.**
  - No later than December 27, cities with population over 500 adopt their property tax levies and their budgets for the next calendar year.

- **27 Dec.**
  - On or before December 27, all cities must certify their final adopted property tax levies for the next calendar year to the county auditor.

Long-term Planning

- A five to ten-year needs assessment
  - Utilities
  - Streets
  - Equipment
  - Facilities
- Overview of annual taxes, cash and debt position
- Focus on stability in tax rate, healthy cash position, and reduction or elimination of debt
- Ultimate goal: pay-as-you-go financing
Long-term Plan

- Includes all funds
- Accounts for revenues, expenditures (expenses), and existing or projected debt
- Incorporates reserve policies
- Growth assumptions
- Impact to community
Key Performance Indicators (KPIs)

- Economic Development
  - New tax base (# of residential homes, greater % of commercial or industrial base, # of housing projects completed)

- Financial Position
  - Fund Balance
    - General Fund – 35-50% of expenditures
    - Utility Fund – 6-12 months working capital, 1-year debt service and capital

- Infrastructure
  - Pavement and utility condition assessments
Long-term Plan

Capital Improvement Plan - Parks Infrastructure Fund 9233
Schedule of Planned Capital Outlay 2021 to 2031

<table>
<thead>
<tr>
<th>Department</th>
<th>Year to Replace</th>
<th>Item</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Estimated</td>
<td>Estimated</td>
<td>Estimated</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Amounts</td>
<td>Amounts</td>
<td>Amounts</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>2021</td>
<td>Parks concrete, trail work</td>
<td>$75,000</td>
<td>$75,000</td>
<td>-</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>2021</td>
<td>Parks Corner Park play equipment project</td>
<td>185,000</td>
<td>185,000</td>
<td>-</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>2021</td>
<td>Parks frisbee golf equipment</td>
<td>12,000</td>
<td>12,000</td>
<td>-</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>2021</td>
<td>Parks court, equipment painting, benches</td>
<td>100,000</td>
<td>100,000</td>
<td>-</td>
</tr>
<tr>
<td>Parks &amp; Recreation</td>
<td>2021</td>
<td>Parks lighting improvements</td>
<td>68,000</td>
<td>68,000</td>
<td>-</td>
</tr>
</tbody>
</table>

Schedule of Property Taxes Levied and Tax Rates
For the Years Ended December 31, 2020 (Actual) and 2021 to 2031 (Estimated)

<table>
<thead>
<tr>
<th>Property Taxes Levied for General Purposes</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual Amounts</td>
<td>Estimated Amounts</td>
<td>Estimated Amounts</td>
<td>Estimated Amounts</td>
</tr>
<tr>
<td>9001 General</td>
<td>$10,511,431</td>
<td>$10,879,465</td>
<td>$11,393,354</td>
<td>$11,934,538</td>
</tr>
<tr>
<td>9015 Economic Development Authority</td>
<td>348,000</td>
<td>365,000</td>
<td>153,000</td>
<td>203,000</td>
</tr>
<tr>
<td>9015 HRA</td>
<td>-</td>
<td>-</td>
<td>417,000</td>
<td>417,000</td>
</tr>
<tr>
<td>9203 Street Infrastructure</td>
<td>1,467,333</td>
<td>1,540,700</td>
<td>1,617,735</td>
<td>1,698,622</td>
</tr>
</tbody>
</table>
Long-term Plan
Fees

- Analyze true cost of providing service
- Direct and indirect costs should be considered
- Incorporates utilities
Debt Management

- How much debt can the community withstand?
- Legal compliance
- Considers potential calls or refinancing
Debt Management
Aligning Council Goals

What kind of goals will the Council set?
## Staff Objectives vs. Council Objectives

**Staff Objectives**
- Sustainability
- Continuity of operations
- Workforce planning
- Service delivery
- Balancing Council director with human resource capacity

**Council Objectives**
- “Hold the line” on taxes and fees
- Quality services
- Customer service
- Responsiveness
Aligning Council Goals to Internal Performance

- Collaborative / shared service
- Service review
- Workforce staffing overview
- Infrastructure review
- Economic development needs assessment
- Moving toward pay-as-you-go financing
- Improving debt position
Keeping Council Strategic

• Focus on strategic objectives – not “pencils and paperclips”
• Incorporate long-term plan objectives into budget presentation
• Discuss impacts to community
• Review debt levels
Collaboration Amongst Leadership

• Internal leadership and Council leadership alignment
• One Team concept
• Internal understanding of all budget objectives – not just individual departments
• Alignment of long-term plan with budget objectives
Budgeting is a Process, not an Event

- Council Goals
- Budget Alignment
- Measure Progress
Council Goals

- Strategic planning session
- Clear articulation of goals
- Collaboration amongst council
Budget Alignment

- Budget direction aligns with goals
- “One team” approach within City leadership
- Council collaboration
Measure Progress

- Key performance indicators
- Clear understanding of performance objectives
City Budget Components

• Are you knowledgeable of what funds can provide funding for what expenditures?
Question 4

Which is not considered a revenue account?

a) Property taxes
b) Wages
c) Permits
d) Licenses
Operating Budgets
For the General Fund and Special Funds Consider the Following

<table>
<thead>
<tr>
<th>Revenue:</th>
<th>Expenditures:</th>
<th>Property Taxes:</th>
</tr>
</thead>
</table>
| - Property taxes  
- State Aid  
- Grants  
- Permits  
- Licenses  
- Interest | - Wages/Benefits  
- Service levels *(new programs or services)*  
- Fixed & variable costs | - Revenue restrictions  
- Grant requirements  
- Union contracts  
- Legislative changes  
- General economy |
Operating Budgets
For the Enterprise (Utility) Funds Consider the Following

**Revenue:**
- User fees
- Grants

**Expenditures:**
- Wages/Benefits
- OM & R (operations, maintenance & replacement)
- Debt service
- Fixed & variable costs

**Adjustments:**
- User fees as opposed to tax levy
- Rate adjustments to fund operations and infrastructure
- Cash or accrual method?
Question 5

In the Enterprise Funds, where does most of the revenue come from?

a) Licenses  
b) Wages  
c) Permits  
d) User Fees
Case Study
Property Tax Levy

100s General Fund Levy

200s Economic Development Authority (EDA) Levy

300s Debt Service Levies

400s Capital Levies

= Property Tax Levy

600 Enterprise (Utility) Funds

= User Fees
Budget Impact

• Do you know how the city tax rate is calculated, how you might compare to similar communities and how to provide context on differences?
## Resident’s Total Tax Bill

### Value and tax summary for taxes payable 2019

Values established by assessor as of January 2, 2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated market value</td>
<td>$304,700</td>
</tr>
<tr>
<td>Taxable market value</td>
<td>$294,883</td>
</tr>
<tr>
<td>Total improvement amount</td>
<td></td>
</tr>
<tr>
<td>Total net tax</td>
<td>$3,852.42</td>
</tr>
</tbody>
</table>

- **County $1,234.47**
- **Hennepin County Regional Rail Authority $53.28**
- **City of MINNETONKA $1,022.59**
- **School District: Voter Approved Levies $758.18**
- **School District: Other Local Levies $486.68**
- **Metropolitan Special Taxing District Tax $74.96**
- **Other Special Taxing Districts $178.57**
- **Non-School Voter-Approved Referenda Levies $43.69**

Total special assessments: $3,852.42

**City is 27% of total**

Additional Resources:

- LMC Property Tax Statement 101
PROPERTY VALUE

- Neighborhood
- Improvement
- Condition
- Age
- Market
Resident’s Market Value Exclusion

- Maximum exclusion realized at $76k or less
- Benefit is phased out as value increases
- Complete phase out at $413,778

Additional Resources:
LMC Homestead Market Value Exclusion 101 Memo
Levy: Levy + FD Distribution

Net Tax Capacity:
Tax Capacity - Captured Tax Increment Financing (TIF) Value – Fiscal Disparities Contribution

Additional Resources:  LMC Property Tax 101
Strategic Process

Aligning goals to budget, organizational buy in and collaborative thinking are keys to the strategic process.
Advanced Budget Elements

Funding for the Future: Planning for Today and Beyond
Advanced Budget Elements

- Internal Allocations
  - *Wages and benefits*
  - *Utility funds administrative charges*
- Internal service funds allocations
  - *Fleet*
  - *Information Technology*
  - *Building*
- Long-term Plan
- Debt Management
- Fees
Internal Allocations

- Wages and Benefits
  - Allocations to funds/departments
  - Health and other benefit considerations
  - Union contracts
  - Staffing modifications

- Utility funds administrative charges
  - Administration and finance
  - Building department
## Internal Allocations

### WAGES & BENEFITS

<table>
<thead>
<tr>
<th>Name</th>
<th>Position Title</th>
<th>12/31/2019 Pay</th>
<th>2020 Hrs</th>
<th>Workers Comp</th>
<th>2020 Grade After Anniversary</th>
<th>2020 Step After Anniversary</th>
<th>Anniversary Adjustment Date</th>
<th>2020 Pay Pre Step</th>
<th>2020 Pay Post Step</th>
<th>2020 Pay % of Ytd</th>
<th>2020 Pay % of Ytd</th>
<th>FY 2020 Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Doe, John</td>
<td>City Clerk</td>
<td>$33,000</td>
<td>2,080</td>
<td>$8810</td>
<td>8</td>
<td>2</td>
<td>1/1/2020</td>
<td>$35.83</td>
<td>$35.83</td>
<td>0.00</td>
<td>1.00</td>
<td>70,741.11</td>
</tr>
<tr>
<td>Doe, Jane</td>
<td>Acct. Deputy Clerk</td>
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<th>Code</th>
<th>PERS Code</th>
<th>FICA/Medicare</th>
<th>Insurance Co.</th>
<th>Work Comp Co.</th>
<th>FY 2019 Allocation</th>
<th>PERA</th>
<th>FICA</th>
<th>MEDICARE</th>
<th>HEALTH</th>
<th>Supervision Rate</th>
<th>Total Compensation</th>
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<td>4,185.97</td>
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### ADMINISTRATIVE TRANSFERS

#### 2022 Administrative Transfers Budget

<table>
<thead>
<tr>
<th>Company</th>
<th>Annual Budget 2021 (2.5% Increase)</th>
<th>Annual Budget 2022 (2.5% Increase)</th>
<th>Change from 2021 to 2022</th>
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<tbody>
<tr>
<td>09001 - General Fund</td>
<td>$294,575.20</td>
<td>$302,042.90</td>
<td>$7,467.70</td>
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<tr>
<td>TOTAL REVENUE (GENERAL FUND)</td>
<td>$294,575.20</td>
<td>$302,042.90</td>
<td>$7,467.70</td>
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<tr>
<td>09015 - Brod Davenport Activity</td>
<td>38,509.48</td>
<td>37,422.37</td>
<td>912.74</td>
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<tr>
<td>09300 - Saurer</td>
<td>58,353.10</td>
<td>58,379.83</td>
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<td>09330 - Water</td>
<td>59,371.14</td>
<td>60,375.14</td>
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<td>09350 - Golf Course</td>
<td>30,011.22</td>
<td>31,314.18</td>
<td>1,302.96</td>
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<td>09360 - Ice Arena</td>
<td>11,033.11</td>
<td>11,534.18</td>
<td>501.07</td>
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<td>09354 - Storm Water</td>
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<td>26,485.12</td>
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<tr>
<td>09400 - Otol Garbage Operation</td>
<td>36,509.48</td>
<td>37,422.37</td>
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<td>09410 - Information Technology</td>
<td>59,413.75</td>
<td>59,574.07</td>
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<tr>
<td>TOTAL EXPENSE (ALL FUNDS)</td>
<td>$294,575.20</td>
<td>$302,042.90</td>
<td>$7,467.70</td>
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</table>
Internal Service Funds Allocations

- Fleet
  - Replacements, additions, dispositions
- Information technology
  - Direct and indirect costs
  - Infrastructure
  - Software and software maintenance
  - Hardware or Cloud Technology
- Building
  - Facility assessments
## Internal Service Funds Allocations

### FLEET

| Asset ID | Make      | Description             | Year  | Expected Life | Replacement | Disposal Date | Original Cost | Unit | CY Actual Operation Rate | Sites | Service | San Sew | Water | Signs | W/End | Impa | Jun | Ptna |
|----------|-----------|--------------------------|-------|---------------|-------------|---------------|---------------|---------------|------|--------------------------|-------|---------|---------|-------|-------|-------|------|-----|------|
| 1        | Ford      | Pick Up                 | 2002  | 13            | 0           | 27,479.00     | Mo            | 1,353         | 3    | 2                        | 3     | 10      |        |       |       |       |      |     |      |
| 2        | Toro      | Rider mower             | 2020  | 6             | 2025        | 53,064.00     | Mo            | 2,679         | 10   |                         |       |         |        |       |       |       |      |     |      |
| 3        | Skyjack   | Scissors Lift           | 2019  | 16            | 2934        | 10,812.00     | Mo            | 729           |      |                         |       |         |        |       |       |       |      |     |      |
| 4        | Rotary    | 4 Post Lift             | 2020  | 17            | 2032        | 16,164.00     | Mo            |               |      |                         |       |         |        |       |       |       |      |     |      |
| 5        | Steger    | Asphalt patch trailer   | 2020  | 16            | 2830        | 40,215.00     | Mo            | 254           | 12   |                         |       |         |        |       |       |       |      |     |      |
| 6        | Sterling  | Water Tanker            | 2003  | 20            | 2023        | 124,489.00    | Mo            | 9,210         | 6    |                         |       |         |        |       |       |       |      |     |      |

### INFORMATION TECHNOLOGY

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<tr>
<th>Code</th>
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<th>Arrview</th>
<th>Johnson Controls</th>
<th>Access Point</th>
<th>Net Motion</th>
<th>Monitor for Conference Room</th>
<th>Locate services</th>
<th>Active Network (formerly Max ICE)</th>
<th>Calendar Wiz</th>
<th>LETI, Plymouth IT Services, Training Officer 2000 V3</th>
<th>Watchguard</th>
<th>Cisco Analog Voice Gateway</th>
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<th>Capital Items</th>
<th>Total Direct Allocations</th>
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<td>15,939</td>
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</tbody>
</table>
Important reminders

• The final levy that is certified in December CANNOT be higher than what was certified in September.
Contact Us

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952-715-3062,
Julie.mcMackins@abdofs.com

Jessi Sturtz
SENIOR ASSOCIATE
507-304-6888,
jessi.sturtz@abdofs.com
Questions?